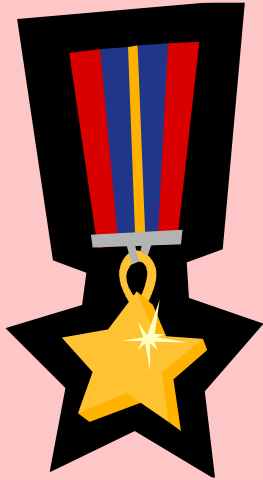


***SMALL BUSINESS WEEK 2003: The SBA North Florida District Office
would like to congratulate the following Small Business Week Winners
for 2003:***



2003 Small Business Person of the Year

Winner, State of Florida, North Florida District

George L. Gonzalez

President & CEO

Aerospace Integration Corporation

Fort Walton Beach, Florida

2003 Financial Services Advocate of the Year

Winner, North Florida District

W. Ward Rainnie

Vice President

CNB National Bank

Jacksonville, Florida

2003 Women in Business Advocate of the Year

Winner, State of Florida, North Florida District

Alice Dianne Barlar

Director, Extended Credit Instruction

The University of West Florida

Fort Walton Beach, Florida

2003 Minority Small Business Advocate of the Year

Winner, Regional, State of Florida, North Florida District

Edward A. Gaston

Community Outreach Specialist

Duval County Housing Financing Authority

Jacksonville, Florida

2003 Home-Based Business Advocate of the Year

Winner, Regional, State of Florida, North Florida District

Amy Lynn Calfee

Creative Advertising & Marketing Services

Jacksonville, Florida

2002 Small Business Journalist of the Year

Winner, North Florida District

Rachel B. Sams

Business Writer

Tallahassee Democrat

Tallahassee, Florida



Message from District Director . . . **Wilfredo J. Gonzalez**

**THANKS TO The SBA
North Florida Dis-
trict Office For their
Hard Work and Dedi-
cation to Small Busi-
ness.**

*Photo: The North Florida District Of-
fice Staff with SBA Administrator Hector
Barreto in February, 2003.*



A Message from the SBA Region IV Regional Administrator, Nuby Fowler:



Freedom Abroad, Economic Security at Home-At home and abroad, America faces new challenges and exciting opportunities. By any measure, we have entered a new era of international relationships. What remains unclear is the degree to which the campaign for freedom in Iraq will affect the domestic marketplace.

There is no denying that we live in a world economy. What happens half way around the globe has real impact on our efforts to create jobs and stimulate economic growth at home. Economists have offered mixed predictions about what will be the ultimate economic upshot of Operation Iraqi Freedom. What I believe to be certain is that once we have secured a free and democratic Iraq, small business opportunities are sure to follow. As small business service providers, SBA and its partners must be ready to help meet the needs of our returning military. Not only for the small business owners who were deployed for this action and the many small businesses that employ National Guard and Reserve personnel, but for the prospective new entrepreneurs among their ranks and the businesses that provide the products and services they need.

Through the MR EIDL program, SBA has already provided much needed capital to small businesses impacted by the deployment of owners or critical personnel. The wide scale use of this program serves as a promise that these businesses will continue to operate, create jobs, and provide security to owners and employees alike. I am heartened by the stories of sacrifice by business owners to keep their employees on the job despite lost revenue. They believe, as I do and as the President does, in the fundamental strength of today's economy and that confidence, hard work and a little sacrifice will payoff big-time in the long-term.

Let's follow their lead and keep up the good work of keeping hometown main streets open for business and positioned to lead the way to economic growth.

To subscribe (or un-subscribe) to this monthly publication, please e-mail lola.kress@sba.gov with your request. address or contact her at (904) 443-1933. Thank you!

SBA North Florida District Office Staff Directory

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Deborah E. Brown, Deputy District Director
John F. Carroll, Info. Technology Specialist

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Alicia Vakili, Paralegal Specialist

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Minority Enterprise Development Office

8(a) Business Development & Procurement

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Ronald J. Ammerman, Supervisory ED Specialist
John W. Doriety, Business Opportunity Specialist
Ed Phillips, Business Opportunity Specialist

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Charles A. Atwood, ED Specialist
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Lola Kress, Public Affairs Specialist
Donna E. Padgug, ED Specialist

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Paul V. Thomas, Loan Officer
Pamela Turner, Loan Officer

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Didier Anderson, Loan Specialist Commercial
Stephen Hale, Loan Specialist Commercial
Ann Williams, Loan Specialist Commercial
Allen Daugherty, Loan Servicing Assistant

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martha.williams@sba.gov
allen.daugherty@sba.gov

Office of General Counsel

Lisa Still, Trial Attorney

lisa.still@sba.gov

Area 3 Procurement Center Representative

Jose Gutierrez, PCR

jose.gutierrez@sba.gov

Business Information Center (BIC)

Annette Paulson, BIC Manager
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Jacksonville, Florida 32209

annette.paulson@sba.gov

FY 2003 LOAN GOALS
PERCENT OF GOAL ACHIEVED FOR NORTH FLORIDA
through March 31, 2003

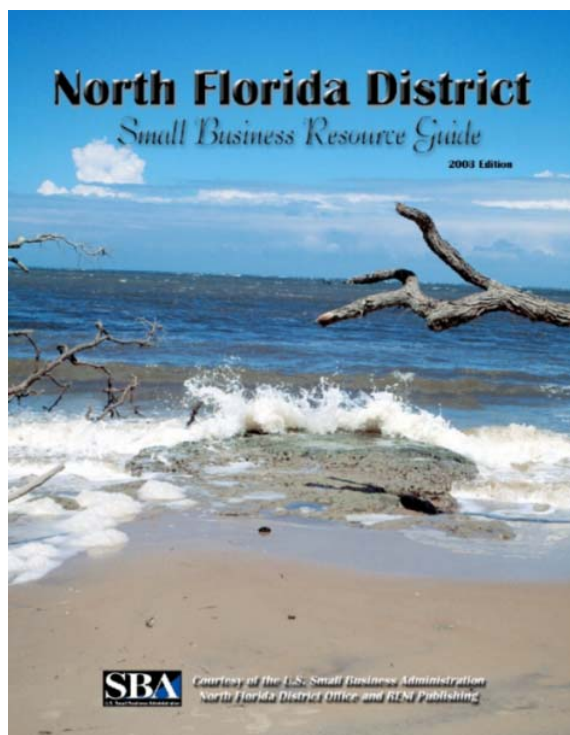
| GOAL CATEGORY | FY 03 GOAL | FY 2003 ACTUAL | |
|---------------------|------------|----------------|------|
| | | # | % |
| 7(a) | 963 | 475 | 49% |
| 504 | 88 | 41 | 47% |
| EMERGING MARKETS* | 735 | 329 | 45% |
| VETERAN | 121 | 65 | 54% |
| INTERNATIONAL TRADE | 8 | 10 | 125% |

*Goals for individual categories were eliminated in FY03 and one goal for Emerging Markets was added; this includes loans made to minorities, women and rural businesses.

SBA NORTH FLORIDA DISTRICT OFFICE
504 Loan Approvals by Number of Loans Made for FY 2003, 2nd Quarter
As of March 31, 2003

| Lender | No. of Loans | 504 \$ Amount | 1st Mtg. \$ Amount | Total |
|--|--------------|---------------|--------------------|--------------|
| FLORIDA FIRST CAPITAL FINANCE CORP, INC. | 14 | \$5,456,000 | \$7,333,906 | \$12,789,906 |
| FLORIDA BUSINESS DEVELOPMENT CORPORATION | 10 | \$7,747,000 | \$12,169,100 | \$19,916,100 |
| JACKSONVILLE ECON. DVPMT COMPANY, INC. | 7 | \$4,151,000 | \$6,686,787 | \$10,837,787 |
| BUSINESS DEVELOPMENT CORP. OF NE FLORIDA | 6 | \$2,138,000 | \$2,776,000 | \$4,914,000 |
| NORTH CENTRAL FLORIDA AREAWIDE DVLPT CO., INC | 2 | \$385,000 | \$525,600 | \$910,600 |
| COASTAL AREA DISTRICT DVLPT. AUTHORITY, INC. | 1 | \$750,000 | \$932,500 | \$1,682,500 |
| ALABAMA COMMUNITY DEVEL- OPMENT CORP. | 1 | \$122,000 | \$165,585 | \$287,585 |
| TOTAL | 41 | \$20,749,000 | \$30,589,478 | \$51,338,478 |

SBA NEWS CORNER



The 2003 North Florida District Small Business Resource Guide is Available—Please contact lola.kress@sba.gov for your free copy!

OPEN HOUSE AT THE SBA—The North Florida District Office conducts monthly “OPEN HOUSE” sessions for lenders from 9:00 am to 4:00 pm on the third Thursday of every month. These sessions provide one-on-one counseling with loan officers to address issues and/or problem areas. Come on by!!! For more information, please contact SBA’s Veronica Wallace at; veronica.wallace@sba.gov OR (904) 443-1923.

FY 2003 Top 6 Lenders

(As of March 31, 2003)

-Loan totals in parenthesis-

- 1) Bank of America (200)
- 2) Liberty National Bank (33)
- 3) Banco Popular N.A. (31)
- 4) CIT Small Business Lending Corp. (28)
- 5) First Coast Community Bank (18)
Innovative Bank (18)

In recognition of Women’s History Month, The SBA North Florida District office held a Women’s Roundtable on March 27th, 2003. The roundtable was a huge success with over 40 participants. The SBA staff provided information on SBA Financial Assistance, the 8(a) Business Development Program, Government Contracting, and a variety of Women’s programs. For more information on programs available to women in business, please contact SBA’s Donna Padgug at (904) 443-1971.



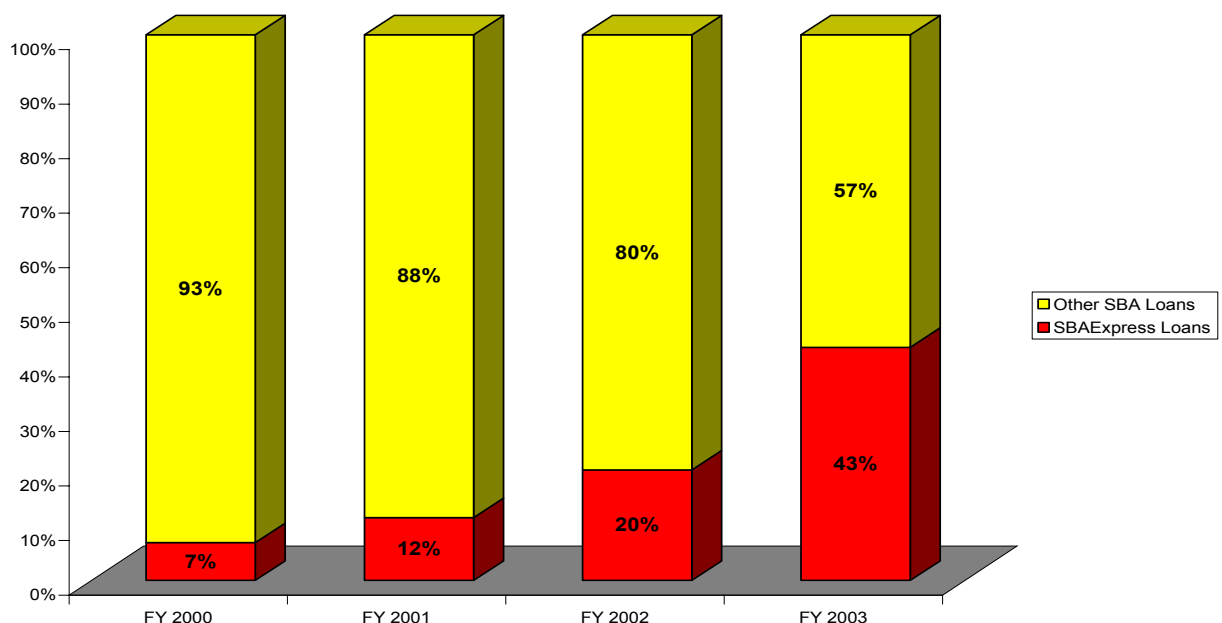


SBAExpress Loans are in the FAST LANE-

The U.S. Small Business Administration (SBA) initiated the FAST TRAK Program in 1995 targeted toward smaller loans. Since that time the program has been improved, expanded and reintroduced as SBAExpress. SBAExpress was developed to increase the number of participating SBA Lenders. The expansion of the loan program will allow an estimated 2,400 lenders that already deliver other SBA loan products to participate in the SBAExpress Program as well as lenders that do not currently participate in SBA loan programs. Today, nearly 550 new lenders are participating in the Pilot SBAExpress program introduced in 2002. The maximum loan amount under the SBAExpress Program is \$250,000, although there is an emphasis on increasing the number of smaller sized loans, particularly loans \$50,000 or less. When a lender makes a loan for \$50,000 or less, they may charge interest at 6.5 percent over the prime rate. Loans exceeding \$50,000 can carry an interest of 4.5% over prime rate. Lenders are permitted to use many of their own procedures and forms when processing SBAExpress Loans. This saves loan processing time and enables lenders to approve and close loans faster. This process allows SBA to complete final approval in 24 hours or less. Loan maturities generally depend on the borrower's ability to repay and the use of the loan proceeds. Real estate can carry terms of 25 years, equipment terms can be 10 years and working capital up to 7 years. One of the most attractive features of the SBAExpress Loan Program for lenders, as well as borrowers is the optional Revolving Line of Credit. Revolving Lines of Credit may be processed for extended terms. This creates a great amount of flexibility in the loan for the small business borrower. For more information on the program, please visit <http://www.sba.gov/financing/frfastrak.html>. For lenders interested in participating in the program, please contact SBA's Mike Davis at (916) 930-2460. The SBA North Florida District Office increased the total number of SBA Guaranteed Loans for the first half of fiscal year 2003 by 27 percent compared to the first half of fiscal year 2002. During the same period, loans under the SBAExpress by 244 %, from 64 to 220. "We are very excited to see the small businesses of North Florida utilize the SBAExpress Loan program. We would like to see more lenders participate in SBA lending, and we are always pleased to find additional outlets for small businesses to gain access to capital," says Wilfredo J. Gonzalez, District Director.

For more information on the SBAExpress Program, or to learn more about the loan programs of the SBA, please contact SBA's Veronica Wallace, (904) 443-1923 or veronica.wallace@sba.gov.

Growth of SBAExpress Loans in North Florida



SCORE SAYS.....

SCORE List of Counties Served:

| <u>Chapter</u> | <u>Counties</u> |
|-----------------|---------------------------------------|
| Jacksonville | Duval, Clay, St. Johns, Baker, Nassau |
| Orlando | Orange, Lake, Seminole |
| Volusia/Flagler | Volusia, Flagler |
| Lake/Sumter | Lake, Sumter |
| Gainesville | Alachua, Columbia |
| Ocala | Marion |
| Citrus | Citrus |
| Bay | Bay |

DISTRICT MANAGER

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Fax: 904/443-1980
Email: sbainfo@scorejax.org

JACKSONVILLE

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Jacksonville, FL 32202
Ph: (904) 924-1100
Fax: (904) 924-1103

VOLUSIA/FLAGLER #87

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Fax: 904/255-0229
Email: score87@n-jcenter.com

ORLANDO #138

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Fax: 407-648-6425
Email: score138@iag.net

GAINESVILLE #408

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Fax: 352/375-5340
Email: score@fdt.net

LAKE SUMTER #414

9501 US Highway 441
Leesburgs, FL 34788
Office: 352/435-5031

PASCO-HERNANDO CO SCORE # 439

6014 US Highway 19, Suite 302
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Fax: 727/841-7266

OCALA #440

110 E. Silver Springs Blvd
Ocala, FL 34470
Office: 352/629-5959
Email: scoreocala@earthlink.net

CITRUS COUNTY #646

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Building P1-101
Lecanto, FL 34461
Office: 352/621-0775

BAY COUNTY SCORE #652

c/o SBDC
2500 Minnesota Avenue
Lynn Haven, FL 32444
Office: 850/271-1108
Fax: 850/271-1109

SBA Now has a Local Office in Orlando!!!
Please contact Robert Chavarria, Economic Development Specialist, in the SBA Orlando Office. He may be reached at (407) 893-9885 or Robert.chavarria@sba.gov.

YEAH! For 8(a)!

FOR YOUR INFORMATION- Competitive 8(a) Contract solicitations are posted on www.fedbizopps.gov, along with other types of procurements that exceed \$25,000, such as a small business set aside and full and open competition. Sole Source 8(a) contract opportunities are not listed on fedbizopps.

Congresswomen Brown, the First Coast African American Chamber of Commerce (FCAAC) and the SBA North Florida District Office sponsored a special 8(a) Training Workshop at the FCAACC on Monday, April 21, 2003 for 8(a) Firms in Florida's Congressional District 3. This training was conducted to help the 8(a) participants and their key staff better understand the 8(a) program and how to market and do business with the federal government through 8(a). Hopefully these firms will now be able to better market their firms' capabilities and obtain 8(a) contract awards. We thank Congresswoman Brown for her sponsorship of this event and her strong support of the SBA's 8(a) Business Development Program.

CONGRATULATIONS- First Time 8(a) Awards!!!!

1. Chibbco Enterprises, Inc. through a joint venture and Mentor Protégé agreement with Lake Michigan Contractors, Inc was awarded their first 8(a) Contract Award through the Corps of Engineers Jacksonville to do the following project: "Crossroads Maintenance Dredging 9 and 11 Foot Project, Intersection of IWW and ICWWW, Martin County, Florida", Contract No. DACW17-03-C-0011 in the amount of \$989,376.36. Award date was April 17, 2003.
2. AeroStar Environmental Services was awarded their first 8(a) contract from the Navy for \$34,700 for environmental services under contract number N62467-03-G-0110 on March 26, 2003.

8(a) Procurement Regulations Update:

In accordance with FAC 2001-12 issued January 24, 2003 the FAR was changed under an interim rule to allow a procurement to exceed the competitive threshold of \$3,000,000 for services and \$5,000,000 for manufacturing if the acquisition is conducted under the authority of the Homeland Security Act (Public Law 107-296) and the acquisition for supplies or services that, as determined by the head of the agency, are to be used to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack.

See FAR Part 19.805-1 General (b) (3). This interim rule is in effect from January 24, 2003 through November 24, 2003.

Compliance Note:

Be sure you have submitted to your Business Opportunity Specialist your 2002 Company Financial Statements. Don't jeopardize your 8(a) eligibility because of paperwork. To locate your Business Opportunity Specialist for your area, please contact Ed Phillips at Edward.phillips@sba.gov or (904) 443-1968.

SBA LOAN TRAINING FISCAL YEAR 2003

SBA's North Florida District Office will be conducting **FREE** training classes for Lenders in Orlando and Gainesville. Training encompasses regular 7(a), LowDoc, and SBAExpress Programs. It includes a full-day class on loan processing policies and procedures for your marketing personnel, loan officers, and/or credit analysts **AND** a half-day class on loan closing, servicing and liquidation policies and procedures for those personnel who are responsible for closing loans, post-closing servicing, loan accounting, and/or liquidation. Dates for the classes are as follows:

ORLANDO

Disney/SBA National Entrepreneur Center (NEC)
315 E. Robinson Street, Suite 100

Processing

June 17 9:30 a.m. – 4:00 p.m.

Closing, Servicing & Liquidation

June 18 10:00 a.m. – 3:00 p.m.

GAINESVILLE

Small Business Development Center
2153 SE Hawthorne Road, Suite 126

Processing

July 15 9:30 a.m. – 4:00 p.m.

Closing, Servicing & Liquidation

July 16 10:00 a.m. – 3:00 p.m.

Classes tend to fill up quickly so **RESERVE YOUR SPOT EARLY!** Once your registration form is received, you will be contacted to confirm your scheduled date(s). If for any reason you find that you will be unable to attend your scheduled class, **PLEASE** email or telephone our office and cancel so that a replacement can be selected for your slot.

To make a reservation, please complete the form below and fax to 202-481-5376 or email rosalind.bryant@sba.gov and include the information below. Be sure to specify the date(s) you would like to attend.

LENDER TRAINING REGISTRATION FORM **(PLEASE FILL OUT COMPLETELY)**

Name & Title

Bank Name & Full Address

Telephone No.

Fax No.

Email Address

Orlando:

June 17 _____

June 18 _____

Gainesville:

July 15 _____

July 16 _____

LEGAL NEWS: Trusts as Borrowers: Special Rules

Extra care is required in SBA lending when a trust, revocable or otherwise, has an ownership interest in the applicant business or when a trust is an Eligible Passive Company (EPC) that owns or will own the real estate. Because of unique regulatory and SOP requirements in this area, a lender should alert applicants desiring to use a trust mechanism “up front” that a revision or amendment to their trust agreement will be needed. In such cases, 13 CFR §120.111(b) and SOP 50-10(4)(B), pp. 45-46 apply. Those requirements are:

The eligibility status of the trustor will determine trust eligibility. All donors to the trust will be deemed to have trustor status for eligibility purposes. A trust qualifying as an Eligible Passive Company may engage in other activities as authorized by its trust agreement. The trustee must warrant and certify that the trust will not be revoked or substantially amended for the term of the loan without the consent of SBA. The trustor must guarantee the loan. For purposes of this section, the trustee shall certify to SBA that:

- (1) The trustee has authority to act;
- (2) The trust has the authority to borrow funds, pledge trust assets, and lease the property to the Operating Company (*NOTE: This applies only when the trust is an EPC*);
- (3) The trustee has provided accurate, pertinent language from the trust agreement confirming the above; and
- (4) The trustee has provided and will continue to provide SBA with a true and complete list of all trustors and donors.

Thus, a trustee must certify to SBA the four enumerated items above and that the trust will not be revoked or substantially amended for the term of the loan without the consent of SBA. The trust agreement most likely must be amended to reflect the same. Additionally: The grantor personally must be eligible for SBA assistance, and The grantor personally must guarantee the loan.

Watch That Spouse!

Lenders should be aware that almost all lending, including loans guaranteed by SBA, is subject to the Equal Credit Opportunity Act (ECOA) and related regulations, which operate to promote the availability of credit to all creditworthy applicants without regard to, among other things, sex or marital status. Occasionally, this office receives loan applications in which lenders have indicated a requirement that a spouse who has no stated ownership or management interests in the business provide a personal guaranty. This is an area where careful consideration of the law is needed. As a general rule, a lender may not require the obligation of a spouse, other than a joint applicant, if the applicant qualifies under the lender’s standards for the amount and terms of the credit requested. A spouse may not be made a joint applicant solely because he or she is the spouse of the business owner or operator. If an applicant relies in part upon property owned jointly with a non-owner/non-operator spouse in order to satisfy the lender’s standards of creditworthiness, then the spouse may be required to execute any document required to perfect a lien that will allow full recourse against that property in the event of default. A lender may find that the credit cannot be made without the personal liability of a party in addition to the applicant, but a spouse may not be required to be that additional party solely because of spousal status. In any instance, a spouse may volunteer his or her unlimited personal guaranty; however, it is imperative that the lender document the volunteer nature of the offered guaranty, and this office will require a written acknowledgment by the spouse that the guaranty is voluntary. This can be a very tricky area of the law. For additional, more specific guidance on the ECOA please refer to SOP 50-10(4) page 16 and pages 135 – 141.